



CHAPTER 3

MAJOR ACQUISITION PROGRAMS

This chapter provides background on key acquisition programs the Marine Corps is pursuing. Many of the programs are joint efforts with Marine Corps participation or leadership, and many of the Aviation Combat Element (ACE) programs are funded with Navy appropriations.

Rather than attempt to discuss every one of the nearly 600 acquisition efforts currently involving Marine Corps participation, this chapter highlights some of the larger programs that either enter production in the near term or that exploit technological advances and improvements in our Marine Air-Ground Task Force (MAGTF) capabilities.

Acquisition Programs and Terms

This chapter is divided into five sections. The first four sections address significant programs integral to the Command, Ground Combat, Aviation Combat, and Combat Service Support Elements of MAGTFs. The final section addresses general MAGTF support programs. Program acquisition estimates are current as of the printing date of Concepts and Programs, and may not reflect the final quantities procured during FY 2006-2007.

Concept Refinement and Technology Development (Milestone A): This is the pre-systems acquisition phase, during which initial concepts are refined and technical risk is reduced. Two major efforts that may be undertaken in this phase are Concept Refinement or Technology Development. Concept Refinement typically consists of short-term concept studies that refine and evaluate alternative solutions to the initial concept, and provide a basis for assessing the relative merits of these alternatives. Technology Development is an iterative discovery and development process designed to assess the viability of technologies, while simultaneously refining user requirements. Under the legacy acquisition model of 1996, these efforts were described as Milestone 0, which is entry into Concept Exploration, and Milestone I, which is entry into Program Definition and Risk Reduction.

System Development and Demonstration (Milestone B): This is the phase in which a system is developed. Work in this phase includes reduction of integration and manufacturing risk; ensuring operational supportability; human sys-

tems engineering; design for the ability to produce; and, demonstration of system integration, interoperability, and utility. Under the legacy acquisition model, this effort was described as Milestone II. Post-Milestone II activities, however, also included manufacturing development and operational testing, which are now performed after Milestone C.

Production and Deployment (Milestone C): This is the phase in which the operational capability that satisfies mission needs is ensured through operational test and evaluation. This evaluation determines a system's effectiveness, suitability, and survivability. The designated Milestone Decision Authority may decide to commit to production at Milestone C, either through low-rate initial production for major defense acquisition programs, or full production or procurement for other systems. The legacy acquisition model describes most of these efforts as post-Milestone III activities. Milestone III was described as Production, Fielding, Deployment, and Operational Support.

A Non-developmental item (NDI): any previously developed item of supply used exclusively for government purposes by a Federal Agency, a State or local government, or a foreign government with which the United States has a mutual defense cooperation agreement; any item described above that requires only minor modifications or modifications of the type customarily available in the commercial marketplace in order to meet the requirements of the processing department or agency.

Acquisition Categories (ACAT)

The Department of Defense categorizes acquisition programs into several categories, generally based on their cost—measured in FY 2000 constant dollars—or testing requirements. This categorization is then used to identify oversight and approval requirements. A description of the most commonly discussed levels follows.

ACAT I: These are the largest acquisition programs and are also known as Major Defense Acquisition Programs (MDAP). To achieve this level of designation, a program must exceed \$365 million in Research and Development funding or exceed \$2.190 billion in Procurement funding. The Marine Corps currently leads two ACAT I programs—the Advanced Amphibious Assault Vehicle Program, which will produce the Expeditionary Fighting Vehicle, and the V-22 Osprey Program. The Marine Corps also participates in numerous joint ACAT I programs, including Global Broadcast Service and the Joint Tactical Radio System. ACAT I programs have two subcategories: ACAT IC and ACAT ID.

ACAT IA: These are the largest automated information system (AIS) acquisition programs. There are several cost thresholds for this level, which include AIS programs with single year funding, in all appropriations, in excess of \$32 million; total program cost in excess of \$126 million; or, total life-cycle costs in excess of \$378 million. ACAT IA programs have two subcategories: ACAT IAM and ACAT IAC.

ACAT II: These programs do not meet the threshold for ACAT I, but have Research and Development funding in excess of \$140 million or Procurement funding in excess of \$660 million. They are also known as Major Systems. The Marine Corps currently funds three ACAT II programs, including Medium Tactical Vehicle Replacement and Common Aviation Command and Control System 2. It also leads one joint ACAT II program, which is the Lightweight 155mm Howitzer, and participates in two other joint ACAT II programs.

ACAT III: Programs that do not meet the cost threshold for ACAT I or II and involve combat capability are designated ACAT III or IV programs. Within the Marine Corps, the designation generally depends on the level of program management and oversight assigned by Commander, Marine Corps Systems Command. The Marine Corps currently manages more than 20 ACAT III programs, leads approximately 12 joint ACAT III programs, and participates in another 27 joint ACAT III programs. This level includes less-than-major AIS programs.

ACAT IV: ACAT programs not otherwise designated ACAT I, IA, II, or III are designated ACAT IV. ACAT IV programs have two subcategories: ACAT IV(T) programs, which require Operational Test and Evaluation, and ACAT IV(M) programs, which do not. The Marine Corps currently manages nearly 90 such programs, and leads or participates in more than 20 joint ACAT IV programs.